

# State of South Dakota

## EIGHTIETH LEGISLATIVE ASSEMBLY, 2005

400L0229

### HOUSE ENGROSSED NO. **HB 1011** - 02/03/2005

Introduced by: The Committee on Judiciary at the request of the Department of Social Services

1 FOR AN ACT ENTITLED, An Act to make certain provisions for a program of recoveries and  
2 fraud investigations in the Department of Social Services.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 28-1 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 The department shall have a program of recoveries and fraud investigations to collect debts  
7 owed the department and to investigate allegations of fraud in all department assistance  
8 programs. Any fraud investigator for this program may:

9 (1) Initiate and conduct any investigation if the program has cause to believe that a  
10 fraudulent act has been committed by a recipient of assistance from department  
11 programs;

12 (2) Review any report or complaint of an alleged fraudulent act to determine whether  
13 such report requires further investigation and conduct such investigation;

14 (3) Obtain access to any record related to residence, household composition,  
15 employment, finances and resources, and medical records as authorized by the Health



1 Insurance Portability and Accountability Act of 1996 (HIPAA), PL 104-199, as  
2 amended through January 1, 2005, to assist in investigation of an alleged fraudulent  
3 act and may require by administrative subpoena the production of any book, record,  
4 or other information; and

5 (4) Cooperate with federal, state, and local law enforcement, prosecuting attorneys, and  
6 the attorney general in the investigation and prosecution of any fraudulent act where  
7 public assistance has been granted or applied for under the welfare laws of this state.

8 Section 2. The program may take any collection action provided for in state and federal law  
9 and regulation to recover debts owed the department.

10 Section 3. All investigative records and files of the program established pursuant to this Act  
11 are confidential. No investigative record may be released except to department personnel,  
12 federal, state, and local law enforcement, prosecuting attorneys, and the attorney general in the  
13 investigation and prosecution of fraudulent acts. No investigative record or file may be released  
14 to any other person except pursuant to a court order. All collection files are confidential. No  
15 collection file may be released except in accordance with recipient confidentiality requirements  
16 of the department.

17 Section 4. The secretary of the Department of Social Services shall annually report to the  
18 Governor and the Legislature concerning the activities of the program including the number and  
19 type of cases investigated, the outcome of such investigations, and costs and expenditures  
20 incurred during such investigations.